



PROPOSED PRODUCT STEWARDSHIP PROGRAM FOR SCRAP TIRE MANAGEMENT: 2021 – 2023

SUBMISSION TO THE MINISTER OF ENVIRONMENT

Submitted By:

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1 INTRODUCTION

1.1 TIRE STEWARDSHIP IN SASKATCHEWAN

In 1996, Saskatchewan tire retailers recognized scrap tires were an environmental concern and volunteered to take on the associated waste issues. What began as a volunteer program, soon became valued but due to financial concerns required regulatory support (only 250 of 1320 retailers were participating in the program, and those who were in it were losing business). Thus in 1998, the Ministry of Environment legislated that all first sellers must be in the program.

Since the *Environment Management and Protection Act, 2002* and *The Scrap Tire Management Regulations (1998)* were put into force, scrap tires have been managed using an Extended Producer Responsibility (EPR) Model. Following a review completed in 2017, *The Scrap Tire Management Regulations, 2017* were released in June 2017.

The Tire Stewardship of Saskatchewan Inc. (TSS) is a non-profit organization that is the approved program operator for scrap tire management and recycling activities in Saskatchewan. See Appendix 5.1 for the Certificate of Incorporation. TSS has been operating the program since September 1, 2017 and operates under a Product Stewardship Program (PSP). A PSP is a program that provides collecting, transporting and recycling of scrap tires. The PSP is the guiding document that outlines the program's operations and is approved every three years. Under the regulations, it is mandated that all first sellers must be registered in the program. On September 28, 2017 a new PSP was officially submitted to the Ministry of Environment and on October 19, 2017 it was officially approved.

Since gaining PSP approval, TSS has realized many positive results (data from January 1, 2018 to June 30, 2020).

- TSS has diverted more than 60,000 metric tonnes of scrap tires from Saskatchewan landfills.
- TSS has served and continue to serve 1,443 registered retailers reporting provincial tire supplies of over 2.1 million tires and 60,000 metric tonnes of scrap tires.
- Improved recovery rates from 58% in 2017 to 63% in 2019.
- Continued the Return to Retailer program, which provides Saskatchewan residents with an additional scrap tire disposal option. The program is offered in 44 communities at 76 participating locations and has helped collect 35,747 tires over that time period.
- Launched the clean-up of the Assiniboia and RM of Eldon legacy stockpiles.

In addition to these successes, TSS has implemented several significant operational have improved the service provided to retailers and resulted in operational cost savings. These include:

- The implementation of a zone collection system; which eliminates a costly step in the collection process, and improves retailer service, GHG emissions and collector accountability.
- The development of an integrated Tire Credit system; which improves the responsiveness of collectors and streamlines the collection process and reporting.
- A reduction in the number of full-time staff from five full-time staff to two full-time and one part-time staff.
- A reduction of 38% of discretionary administrative costs.

The cumulative changes resulted in shifting from a deficit in 2015 to a surplus in 2019, setting the operating system up for success into the future.

1.2 REGULATORY CONSIDERATIONS

The Province of Saskatchewan's *The Environmental Management and Protection Act, 2010* provides authority in Clause 46 to make regulations for the creation and operation of product stewardship programs.

In June 2017, *The Scrap Tire Management Regulations, 2017* were released to reflect the changing industry needs in Saskatchewan and to address increasing public expectations for governance, accountability and transparency. Clause 6 of the regulation's states that:

Every 3 years after the date of approval of the product stewardship program, every first seller operating a product stewardship program, or person operating a product stewardship program on a first seller's behalf, shall review the approved program and:

- a) Seek approval from the minister of any proposed amendments to the approved; or*
- b) Notify the minister in writing that no amendments to the approved product stewardship program are expected.*

1.3 DOCUMENT PURPOSE & REQUEST FOR PSP APPROVAL

With the regulations in mind, the purpose of this document is to provide an updated PSP for the submission to the Minister of Environment for the period of January 1, 2021 to December 31, 2023.

TSS is pleased to provide this Product Stewardship Program and requests approval from the Minister of Environment to be approved as the program operator for scrap tire management and recycling in Saskatchewan for the period of 2021 – 2023 as per our PSP submission.

1.4 CONSULTATION

This Product Stewardship Program incorporates improvements after the initial PSP covering years 2017 – 2020. TSS understands the importance of incorporating feedback from key stakeholders and was active in engaging with these groups, using the following engagement approaches:

1.4.1 Engagement Through Initial Draft

- Direct engagement and working sessions with TSS Board of Director members and the Ministry of Environment.
- Engagement with various tire stewardships in Western Canada, other Product Stewards in Saskatchewan and third-party providers (collectors and processors).
- Engagement through surveys to municipalities and retailers.

1.4.2 Post Draft Review

- Submitting a draft TSS Product Stewardship Plan on October 2, 2020 to relevant stakeholders.
- Collecting comments, questions and concerns and providing written responses.

Appendix 5.6 Consultation Details, provides a list of the organizations represented in the consultations. Additionally, the written comments from stakeholders, response from TSS and, where applicable, a description of the revisions are included in the Appendix.

2 GOVERNANCE

2.1 STRATEGIC DIRECTION

2.1.1 Our Vision

To have the best tire recycling program in Canada.

2.1.2 Our Mission

To operate an efficient tire recycling program across Saskatchewan that provides effective stewardship to avoid the safety and health hazards scrap tires can present, to improve our environment and to support industry and economic success to get the most value from consumer-paid tire recycling fees. We will work collaboratively with our stakeholders, the provincial government and our contracted service providers to collect, process and recycle scrap tires responsibly on behalf of the people of Saskatchewan.

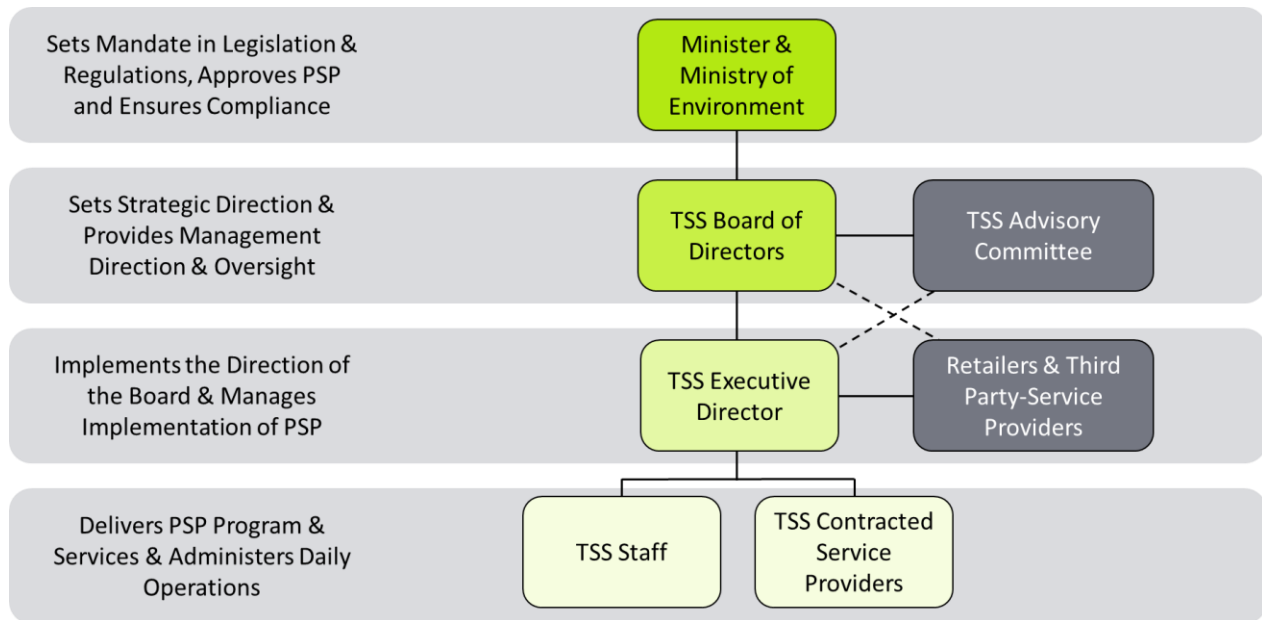
2.1.3 Our Core Values

- **Accountability & Transparency:** TSS will foster accountability with its Board, management, staff and service providers to take ownership and responsibility in everything we do, deliver on our commitments, conduct business openly and always acting in the best interest of our stakeholders and the public.
- **Stewardship:** TSS acknowledges we are responsible stewards of consumer-paid fees and honor the intent of these fees by using our resources efficiently and effectively to maximize the benefits we can achieve for the environment, the tire recycling industry and the people of Saskatchewan.
- **Integrity & Respect:** TSS will conduct our business activities ethically and promote a culture of integrity and respect with all service providers and participants that are part of the tire recycling system in Saskatchewan.
- **Collaboration:** TSS will facilitate a culture of collaboration within the tire recycling system, acknowledging the unique expertise, capabilities and experience that all participants bring to the table, to make informed and better program decisions and provide the best service and results we can.
- **Responsiveness:** TSS will always try to service the needs of all stakeholders while balancing different interests in a timely and appropriate manner.
- **Innovation & Continuous Improvement:** TSS will strive for continuous improvement, creating and adopting leading practices and encouraging market development and innovation to ensure we can deliver the best possible outcomes for tire recycling and the industry in Saskatchewan.
- **Education & Communication:** TSS will commit to effective engagement with consumers to ensure expected outcomes result from consumer-paid tire recycling fees and to ensure there is general awareness of, and support for, the tire recycling program in Saskatchewan.

2.2 GOVERNANCE STRUCTURE

TSS will strive for good governance and focus on implementing strong processes for making informed decisions which support achieving our vision and mission and align with our core values. The following visual provides an overview of TSS governance structure, including our key stakeholders:

TSS Governance Structure



2.3 BOARD OF DIRECTORS

TSS is governed by a Board of Directors (the Board) with a maximum of five-members and is an industry led board. The Board is selected based on including strong representation, perspectives and experience from those that are obligated under the regulations, complemented by independent perspectives to bring additional values and competencies to round out the Board composition mix. The Board has and will continue to have a strong Saskatchewan representation to ensure local perspective to influence the program based on the needs of local retailers and dealers. The current TSS Board of Directors includes the following composition, with three of the four members located in Saskatchewan:

- **Representative Appointed by the Retail Council of Canada**
- **Representative Appointed by the Western Canada Tire Dealers**
- **Retailer-at-Large**
- **Independent Member-at-Large**

The Board members can be found on www.tssk.ca.

In addition, the following documents outline the TSS’ governance and the expectations of staff, members and contractors:

- Code of Ethics – available at www.tssk.ca
- Membership Application & Agreement – available at www.tssk.ca

Bylaws and policies will also be made available at the completion of their review, on the tssk.ca website and by request, respectively.

2.4 ADVISORY COMMITTEE

The TSS Advisory Committee (the Committee) provides strategic advice and program input to the Board of Directors and senior management of TSS. The Committee has no decision-making authority – rather the committee is a source of information, knowledge and a sounding board for the Board and senior management related to strategic program development, continuous improvement and new improvements. The committee meets at least twice annually and a maximum of four times per year, unless additional meetings are authorized or requested by the Board.

The Committee consists of up to 8 senior, management or executive level individuals with knowledge and experience to offer TSS. Members are nominated and approved by the TSS Board. Enough Saskatchewan perspective is necessary and is supplemented by experts from outside of the province to provide advice regarding experiences in their jurisdictions. In order to prevent unfair representation or influence, owners, management or agents of organizations that are under contract as a service provider to TSS are not eligible to be members of the Committee. Rather, they are represented through the Stakeholder Engagement Process described on the following page. The Board will ensure that the Committee has representation from municipal groups such as the Saskatchewan Association of Rural Municipalities (SARM) and Municipalities of Saskatchewan (SUMA), the recycling industry, the Government of Saskatchewan – Ministry of Environment, and Retailers, amongst others to make-up the Committee.

The Committee is organized through the Terms of Reference for the TSS Advisory Committee (Appendix 5.4), which further describes the Committee’s purpose, membership, desired outcomes, governance and other items.

The Committee members can be found on www.tssk.ca.

2.5 STAKEHOLDER ENGAGEMENT

In addition to engaging with the Board of Directors and Advisory Committee, TSS also values the feedback of the various industry stakeholders. Engaging with these groups provides valuable “on the ground” feedback and input from those involved with delivering the services. The following outlines how each of the major industry groups will be engaged with:

- 1. Retailers:** TSS has over 1,400 retailers registered with the program. TSS will utilize a combination of engagement tools to stay in contact with retailers. A survey amongst retailers showed the majority preferred quarterly updates and through e-mail. TSS will provide information to retailers on a quarterly basis, via e-mail. Input into the program will be available to all retailers through an annual online survey as well as through having retailers on the Board of Directors and the Advisory Committee.
- 2. Collectors:** TSS currently has three organizations who are contracted as collectors in the province. TSS will host meetings with all the collectors semi-annually. These meetings will allow for collaboration and consultation with the collectors as well as be a feedback mechanism.
- 3. Processors:** There is currently one processor contracted with TSS. TSS will set semi-annual meetings with the processor(s).

In addition to the meetings and approaches outlined above, TSS is constantly engaged with the third-party collectors and processors and are available at any time for retailers to call the office.

2.6 PUBLIC ENGAGEMENT

TSS recognizes the importance of building awareness of TSS and the scrap tire recycling program so that all stakeholders, including the public, understand how the program works, why it exists and support the desired outcomes for recycling scrap tires into acceptable uses and value-added products.

Due to the importance of public awareness and education, TSS will develop a communications plan with the following goals:

- Create awareness of the tire stewardship program and the benefits. This awareness is applicable to all stakeholders, including retailers, customers, third-party service providers, SARM, SUMA, and all other stakeholder and industry groups.
- Create awareness of the environmental risk associated with scrap tires not recycled properly.
- Ensure that retailers are aware of their obligation to the scrap tire program in Saskatchewan and that they continue to be well informed regarding the programs so they can provide accurate information to customers.

There are a variety of different communication tools that TSS can utilize in pursuit of these goals:

Direct Engagement

This includes meeting and speaking directly with the various stakeholders that TSS is looking to inform. This could include developing and leading educational seminars, attending tradeshows and conferences in the municipal, industry and recycling/waste management spheres. These are important engagements to have with important stakeholders and to learn best practices from other organizations. The TSS commits to attending SWRC (Saskatchewan Waste Reduction Council), CATRA (Canadian Association of Tire Recycling Agencies) and ARWMAS (Association of Regional Waste Management Authorities of Saskatchewan Inc.) engagements as often as possible, as well as having a presence at both the SARM and SUMA conventions. SARM and SUMA will also continue to be involved through their inclusion on the Advisory Committee. TSS will also commit to other conferences and tradeshows if the events are represented by at least two key stakeholders, as a general rule of thumb.

Annual polls/surveys can also be completed with key stakeholders, such as the retailers and municipalities. TSS is also available for more ad-hoc direct engagement throughout regular business hours (Monday to Friday, 8 to 5) where the staff is available by phone or e-mail.

Media

Media encompasses methods of mass communication in order to inform stakeholders. This includes the use of the TSS website at www.tssk.ca. The website will include a consumer / public section which will provide easy to understand information regarding the program and consumer tips, as well as information on the locations for tire returns through the Return 2 Retailer program. TSS will also use social media in order to provide more information. The format of the campaign will depend on cost-effectiveness and may include various advertising mediums such as radio, internet and television advertising.

Promotion & Education Materials

Another specific approach TSS will take is to provide Promotional & Educational (P&E) Materials to retailers that can be provided at the point-of-purchase to easily explain TSS and the program if there are inquiries about their fees and the program. Promotional material, such as brochures and cards made for the retailers will be available to order and display. TSS will also look for additional ways to engage with retailers in order to educate them about the program, such as providing downloadable PDF P&E Materials on the tssk.ca website.

Alignment with Organizations

TSS will work with other stewardship organizations in Saskatchewan, other tire stewardship programs across Canada and any other relevant organization as necessary in order to ensure stakeholders are informed and aware of the program. This includes participating in Recycle Saskatchewan in order to collaborate with SARCAN Recycling, Cleanfarms (Grain Bags), the Electronic Products Recycling Association, the Saskatchewan Association for Resource Recovery Corporate, Multi-Material Stewardship Western (Household Paper and Packaging) and Product Care Recycling (Paint) to identify and implement joint projects and share knowledge.

TSS will evaluate the effectiveness of its outreach, public education and awareness activities to ensure TSS is only investing resources in activities that are generating positive outcomes. This review of previous years' communication strategy will be completed in concert with the development of the upcoming communication strategy.

3 OPERATING MODEL

3.1 TIRE RECYCLING FEES & REMITTANCE

There are currently 1,443 retailers in the province that are registered with TSS. All Saskatchewan retailers must be registered with TSS to meet their legislated obligations. In order to become a Registered Retailer, the applicant must complete a Retailer Registration Application and execute a TSS Retailer Agreement. Once documentation is completed, retailers are assigned a Program Registration Number. No First Sellers shall be allowed to sell tires in Saskatchewan unless they have properly registered as a Registered Retailer in Saskatchewan with TSS.

3.1.1 Process

Retailers are responsible for collecting the appropriate fees as prescribed for each tire classification from consumers at the point of purchase. Consumers then leave behind their tires which are not needed anymore. It is acceptable for retailers, and retailers only, to cull tires for re-use and retread. Retailers remit the Tire Recycling Fees (TRFs) to TSS to operate the scrap tire recycling program on their behalf. Along with the TRFs, retailers complete a Remittance Form which outlines their sales and fee breakdowns over the Reporting Period. For each tire that fees have been collected for, a 'credit' is given to the retailer. For each credit received, the retailer may have one tire collected (from the tires left behind by the consumers upon purchasing new tires). Retailers can check their credit balances by calling or e-mailing TSS directly. Other tire stewardship programs in Western Canada do not utilize a 'credit' system and TSS commits to investigating the advantages and disadvantages of the system before determining whether to continue with it.

3.1.2 Fee Setting Methodology

The best practice for setting fees within comparable tire stewardship programs in Western Canada, along with other stewardship programs in Saskatchewan is to project the total program costs and to attribute the fair share of costs to each tire sold. The following formula provides a general basis for determining how fees will be set. This process seeks to minimize cross-subsidization of fees across different tire classes.

$$\frac{(\text{Collection Estimates} * \text{Costs of Goods Sold}) + \text{Portion of Overhead Costs}}{\text{Forecast Tire Sales by Tire Classification}} = \text{Tire Recycling Fee}$$

Where:

$$\frac{\text{Projected Tires Sold in Class} * \text{Total Overhead Costs}}{\text{Projected Total Tires Sold}} = \text{Portion of Overhead Costs}$$

The premise of the methodology is to ensure that each tire is attributed its fair share of costs, accounting for the Costs of Goods Sold (i.e. collection and processing) and Overhead (i.e. rent, wages, etc.). Overhead is allocated using the number of units as a proxy. The fee setting methodology is driven by covering expected costs. TSS currently has overhead costs of approximately 5 – 7% of total revenues.

This fee setting methodology is driven by covering expected costs. TSS will focus on controlling interim administration costs to keep fees competitive while being able to allocate funds to support legacy tires programming.

The setting of fees moving forward will be based on the following principles:

- **Reasonable fees:** TSS strives to keep fees as low as possible. Ideally fees would remain flat and TSS will work to improve efficiencies in the program in order to counteract potential cost increases.
- **Competitiveness:** TSS strives to support Saskatchewan retailers and allow them to maintain competitiveness with neighboring provinces for tire sales, by keeping TRFs reasonable to not unnecessarily increase tire prices. Although the fee setting methodology aims to minimize cross-subsidization, ensuring fees are comparable to other provinces will also be a factor in the setting of fees.

- **Engagement and Transparency:** If the need arises to increase TRFs, TSS will engage retailers and the advisory committee as part of planning for the change and will be transparent on projected increases, timelines and other changes.

TSS will review the fees each year in concert with the annual budgeting process. TSS will consult with first sellers and the advisory committee when proposing any new fees. TSS understands that if there is a need to change the TRFs from what is stated in this PSP, that TSS would require approval from the Minister for this change.

3.1.3 Improvements & Efficiencies

Since 2017, TSS has made the following updates to the program:

- Retailers can now remit their TRF by Electronic Fund Transfer (EFT).
- Retailers can submit their Remittance Form by e-mail.
- No credit card payments are permitted, reducing fee charges to TSS.

In the following years, TSS will investigate further improvements and efficiencies, such as creating a reporting portal within the tssk.ca website which will allow retailers to check their credit balances and submit their reports directly online.

3.2 COLLECTION & TRANSPORTATION

Collectors are the contracted service providers with TSS to collect scrap tires from retailers and transport the tires to the registered processors as directed by TSS. TSS has three third-party collectors who are contracted by the program. The agreements with each collector lay out the business, service and legal obligations of both parties to each other related to providing service to retailers for responsive scrap tire collection. TSS will oversee and manage these contracts to ensure all collectors are abiding to the terms of the agreement and providing good service to retailers.

3.2.1 Process

There are six collection zones in Saskatchewan which are overseen by three collectors. In each of these zones, the collector is responsible for the overall delivery of tire collection services in that area. The collectors are responsible for coordinating with the retailers in their area to pick up the tires from each location within their zone. The collectors have online access to the data portal where they can see the different credits that different retailers have so that they do not pick up over that limit.

In addition to monitoring the online portal to plan tire collection, retailers may also contact TSS to request tire pickup and TSS will coordinate to ensure pickup is conducted in a timely manner to accommodate these requests.

Tires are then transported by the collectors to registered processors. Once a month, collectors submit a request for payment for the period immediately prior to the date submitted. Upon receipt of the invoices, TSS will input information into the tracking system to update the retailer credit balances for that period.

TSS pays collectors within 30 days of receiving the invoice and are paid through Electronic Fund Transfer (EFT).

3.2.2 Collection Incentive Setting Methodology

The collection incentives vary by zone and are market driven. The current collectors have been selected through a competitive Request for Proposals (RFP) process for a period of two years. TSS is committed to continuing to use competitive processes to determine the collector fees in order to keep fees competitive.

3.2.3 Improvements & Efficiencies

Since 2017, TSS has made the following updates to the program:

- Instituted a zone collection system.
- Allowed Collectors to enter the online TSS system to review retailer credit balances in real-time.
- Eliminated the use of PTE (passenger tire equivalent) as a unit of measurement.
- Eliminated the use of the 'marshalling yard' in Regina, resulting in additional cost savings.

TSS will look to provide better feedback mechanisms in order to benchmark and score the performance of the collectors.

Northern & Remote Communities

A key area of focus for the new PSP period will be in the development of programming in order to serve the Northern & Remote Communities of Saskatchewan. There are several strategies that TSS will employ to serve these communities:

- 1. Continued Partnership with ISC:** TSS has been working with Indigenous Services Canada (ISC) to help coordinate and clean up tires located on First Nations in Saskatchewan.
- 2. Development of an RM/Landfill agreements:** Through a *Tire Storage Incentive Program*, TSS will work with municipalities to accept tires at their landfills and store them onsite. TSS will then arrange to have a collector pickup the tires on a pre-determined basis. The details of this system will require additional analysis.
- 3. Coordinate with other Stewardship programs:** TSS will coordinate with other stewardship programs in the province to arrange for coordinated pickups of recyclable material that is in Northern and Remote Communities.

3.3 PROCESSING & RECYCLING

Processors are the contracted service providers with TSS to accept transported scrap tires from collectors and process them into different end uses and recycled materials for various markets. All processors, within and outside of Saskatchewan, must be registered with TSS in order to receive scrap tire deliveries from Saskatchewan. Registration occurs through the signing of a TSS Processors Services Agreement and scrap tires will not be directed to a processor unless a signed TSS Processor Services Agreement is executed with TSS.

Tire processors in Saskatchewan must obtain an Industrial Waste Works (IWW) permit, pursuant to the requirements of *The Environmental Management and Protection Act, 2010* to construct and operate their tire processing and recycling facilities. These permits describe requirements for monitoring, inspections and reporting to ensure that operations are compliant with applicable legislation and ministry guidance. These permits also describe requirements for decommissioning and reclamation planning and for provision of financial assurances that tire processors are required to maintain, ensuring that funds for reclamation are available regardless of operating status.

3.3.1 Process

Collectors deliver tire loads to the processors after collection from retailer locations. Upon delivery, the processors signoff on the delivery and the total amount of tires are weighed to ensure the weight is agreed upon. The processors then submits a request for payment within three days following the last day of the month along with an invoice, management report and any other information that TSS may require, in a manner and format determined by TSS.

Tires are processed to varying degrees based on the markets for the material. Processors may process the scrap tires into tire shred, nuggets, crumbs and manufactured goods, among others.

TSS will enforce the following acceptable and non-acceptable end uses with local and out of province processors that receive scrap tires from TSS:

Acceptable Uses & End Products	Prohibited Uses
<p><u>End Products</u></p> <ul style="list-style-type: none"> - Moulded / manufactured products - Examples include mats, vehicle ramps, traffic cone weights, paving stones, parking curbs, landscape mulch, planters, mud flaps, truck box liners, feeders, livestock application, blast mats, sidewall rings and die cut. <p><u>Acceptable Uses:</u></p> <ul style="list-style-type: none"> - Tire shred for civil engineering. - Crumb rubber material or modifiers for tire derived aggregate and paving for roadways, walkways, playground material, sports track and roofing material. - Tire derived fuel. 	<ul style="list-style-type: none"> - Improper storage and stockpiling - Illegal dumping - Unlicensed burning - Non-compliant geotechnical projects - Landfilling

3.3.2 Processing Incentive Setting Methodology

TSS is committed to developing a processing incentive setting methodology based on best practices utilized in other jurisdictions across Canada. Certain provinces have seen their incentives decrease, while others use a third-party to complete a sustainability audit to determine a sustainable incentive, TSS will work with processors in Saskatchewan to find a Saskatchewan-specific methodology that is mutually beneficial for both sides. It is expected that this new payment model will be in place no later than summer 2021.

3.3.3 Improvements & Efficiencies

New Payment Timing

TSS is interested in taking a phased approach to moving to a new payment model that is more aligned with other provinces in Canada, which incentivize processors to process scrap tires in a timely manner to avoid stockpiling and promote higher value processing and recycling. This includes implementing a new system which pays processors upon the sale of their products, versus the current “pay at the gate” model. This is expected to be in place by summer 2021.

Higher Value Processing

In addition to the new processing incentive payment model, the TSS will strive to align with the following hierarchy as prescribed in the PSP Guidelines from the Ministry. However, the TSS will also balance the importance of managing risk to avoid the problems of the past including abandoned stockpiles.



Focus on Research & Market Development

TSS will also assist processors as it pertains to research and market development. Finding new markets is critical to the success of processors, as well as ensuring that there are no stockpiles and that processors can meet the future supply of tires. Various approaches will be utilized, including engaging in meetings with processors and different stakeholders in order to try to develop relationships and connections in new and potential markets. Another approach may be to engage with different post-secondary institutions to become involved with different research projects which may help to find new markets for tire products.

3.4 LEGACY PROGRAMMING

Legacy tires are old scrap tires that private landowners or consumers have held on to for many years and which likely have never had a tire recycling fee paid on them, since they were purchased prior to the program being in place in the province.

The ability of TSS to address these abandoned stockpiles is highly contingent on surplus funds from operations to pay for the fees required to abate the legacy tires and abandoned stockpiles.

3.4.1 Return to Retailer

The Return to Retailer (R2R) program provides Saskatchewan residents with an additional scrap tire disposal option. The program allows residents to drop off a maximum of ten (10) rimless scrap tires, free of charge at select tire retailers, even if the tires were not originally purchased at that location. The select retailers store the scrap tires on-site, which are then picked up through normal tire collection operations and delivered to processors.

TSS would like to expand the R2R program and investigate potential changes that could improve the effectiveness of the program. This includes increasing the number of total R2R locations in Saskatchewan and investigating options on how R2R retailers can be recognized in a non-monetary fashion for the additional effort and resources that are attributed to be a retailer in the program.

3.4.2 Tire Storage Incentive Program

TSS will work with municipalities to accept tires at their landfills and store them onsite. TSS will then arrange to have a collector pick up the tires on a pre-determined basis. The development of this plan will be developed in concert with Rural Municipalities (RMs).

3.4.3 Coordinated Municipal & Community Pickup Days

TSS will investigate the potential to coordinate with local municipalities to have a TSS collector trailer available for a designated day in which the public may drop off legacy tires free of charge. Additionally, it may be coordinated with household hazardous waste events.

3.4.4 Abandoned Stockpile Programming

In addition to legacy tires, there are also other larger abandoned stockpiles, which may come from a variety of different sources, mainly being defunct processors. Over the past three years, TSS has made progress on two of the larger known legacy stockpiles. The first is in the Town of Assiniboia which had approximately 27.5 million pounds of scrap tires. With funding from the Government of Saskatchewan, the pile has been reduced substantially to approximately 5.7 million pounds. The remaining tires on location have all been shredded, decreasing the risk to the environment and public health. TSS will develop a plan to address and clean up the remaining material and ensure that this remains a top priority for the organization. In 2020, efforts have also begun on the stockpile in the Town of Lashburn/RM of Eldon which is comprised of approximately five million pounds of scrap tires.

Moving forward, TSS will follow a process of collecting information on the stockpiles, prioritize and clean up as funds are available and continue to use financial assurances to prevent stockpiles.

Understanding the Situation & Prioritizing

The first step in the process to address the abandoned legacy stockpiles is to perform the due diligence to understand the overall situation of stockpiles in Saskatchewan. TSS will engage with SARM and SUMA in order to develop a database of the various stockpiles in the province.

After the various stockpiles have been listed, TSS will continually update the database based on the priority of each clean-up. The criteria for prioritizing stockpiles include number of tires, condition and age of tires and the site; topography and access; site ownership and access; and social, environmental and health impacts and health risks.

The abatement plan for each stockpile will be unique to the various features of the site.

Stockpile Clean-Up: Legacy Clean-up Fund

TSS will develop a new program to provide an avenue to cleanup and accept legacy tires throughout the year. The program will allocate portions of annual surpluses to a legacy fund which will be managed to clean up legacy tires that exist on private landowner sites. TSS will assess inquiries on a case by case basis determining the best avenue for the legacy tires to be accepted, whether through this fund or through another TSS program such as Return to Retailer.

Stockpile Prevention: Financial Assurances & Education

Processors are required to provide financial assurance for reclamation in the event they go out of business. This would support preventing another issue again in the province like what has occurred in Assiniboia. In addition to financial assurances, processors are also required to provide a documented closure plan that could be implemented in the case of any potential facility closure. These plans address how processors plans to be able to cover any stockpile issues if a closure were to arise.

Section 2.6 Public Engagement outlines TSS' approach to engaging with consumers. In addition to engaging with consumers, TSS will look to educate them on the reasoning *why* you should not collect tires. TSS will also look to educate ourselves when collecting information on the tire piles as to *why* they were stockpiled in order to develop Public Education targeted at dispelling these reasons.

4 MANAGEMENT & OPERATIONS

4.1 MANAGEMENT

4.1.1 Program Management & Staff

TSS program management and staff are integral to delivering this Product Stewardship Program, based on direction and oversight at the governance level by the Board and in collaboration with retailers, service providers and program stakeholders. TSS will be led by an Executive Director, with additional program staff supporting the delivery of operations and program administration.

4.1.2 Management of Contracts

TSS will have contract agreements, which have been developed by legal counsel, with all third-party contractors or service providers. This includes agreements with collections, processors, and any other contractor or service provider. TSS has agreements in place with retailers that are registered with the program. All these agreements include Terms and Conditions which lay out the obligations and expectations of the contractors or service providers.

TSS has chosen a contract management approach to use a similar contract for collectors and processors in recognition that each contractor is part of the same scrap tire recycling system or supply chain and to be transparent in expectations and obligations. Contracts address current and applicable legislation and regulations as they relate to scrap tire management, as well as scope of services, payment for services, agreement terms, definitions, service requirements and service levels, sub-contractor provisions, audits, insurance coverage and other typical legal provisions and terms. Within contractor and service provider agreements, TSS also states that contractors or service providers are obligated to ensure all federal, provincial and municipal laws are followed.

TSS management will ensure these agreements are executed and updated as required and have regular communication and engagement with contractors and service providers to ensure they are adhering to these agreements. In addition, the following quality control, assurance and compliance programs have been put in place to further ensure oversight and enforcement of contract management.

4.1.3 Compliance Programs

Retailer Compliance Program

TSS generates its revenue through the collection of tire recycling fees on tires sold throughout Saskatchewan. Each retailer that sells tires to an end user is required to collect the tire recycling fee based on tire size and remit those fees to TSS. TSS' costs are directly attributed to these sales and it is in the organizations' best interest to ensure that all fees are paid.

TSS uses a third-party professional firm to complete the audits for retailer compliance. The third-party uses several different auditing procedures.

These processes include, but are not limited to:

- Obtaining the reports that retailers use to calculate the tire recycling fees to be remitted; compare the data generated from these reports to the remittances;
- Obtain the retailers general ledger for the applicable sales accounts and the tire recycling fee account;
- Cross reference tire sales to the tire recycling fee accounts, ensuring there are corresponding fees collected for all new tire sales;
- Sample several invoices to ensure the tire recycling fee is appropriately charged based on the number and size of tires sold;
- Compare the total tire recycling fee collected for the period to the remittance; and
- Obtain all tire purchase invoices and calculate an expected tire recycling fee to be collected and compare to what has been remitted to TSS.

TSS will also participate in CATRA's Harmonized Compliance Review (HCR) program. In general, HCRs involve a single auditing firm engaged by CATRA to conduct retailer compliance reviews on behalf of all Canadian jurisdictions involved in the HCR.

Current Collection & Processor Compliance Program

The collector is compensated by TSS based on the weight of rubber (tires) picked up from the individual retailers. Processors are currently compensated in the same manner as the collectors – based on the weight dropped off by the collector. Weight tickets between processor and collector invoices to TSS should be consistent. Under this program, there is minimal risk of processors and collectors falsely claiming compensation from TSS, as the compensation is directly tied to the tickets from the weight scale – this would require a level of collusion between the two parties. The only significant risk may be if the collector was also the processor, whereby the collector may stop at the processing yard, pick up a few more tires that were previously claimed, and adding weight to the load to be weighed and invoiced to TSS.

For those transactions where the processor and collector are the same, a good internal control TSS will look at implementing is to compare the slips filled out by the collectors, and signed by the retailers upon pickup to the weight of the loads claimed by the collector/processor. This can be done internally, prior to payments being made (a quick reasonability analysis is to multiply the number of tires by the approximate weight per tire per size and comparing to the actual weight). If not feasible to complete internally, TSS will contract a firm to review a sample number of invoices throughout the year completing this analysis and forwarding their findings to TSS.

Additional Collection & Processor Compliance Programs

As TSS transitions to a new payment model with processors, the compliance review will need to be adapted. A compliance program will be implemented, using an accountant's report on agreed upon procedures, much like the retailer accounts report.

The type of report that would be generated through this compliance program is an Accountants Report on Agreed Upon Procedures, whereby, the contracted firm will recommend procedures to perform on the processors records that would satisfy the purpose of the engagement which is to ensure processors are compliant with the program. Management of TSS will approve the procedures to be performed, and the contracted firm would issue their Accountants Report, outlining the results of performing the agreed upon procedures. The typical procedures that would be performed include, but are not limited to:

- Obtain the sales ledger from the processors, and test a sample of sales from the ledger to supporting invoices;
- To ensure these invoices are not created, claimed or blacked out (i.e. fictitious sales), the firm would trace the sales to payments clearing the processors bank account;
- Review the sales ledger for reversals of sales, and ensure those reversals are accounted for in the invoices issued to TSS (i.e. a credit issued to TSS for correction of sales); and
- Agree sales invoices to the sales claimed to TSS for the purpose of their invoicing, agreeing the type of sales, and the pre-determined rate on that type of product sold to ensure the items claimed to have been sold to external parties are consistent with invoices issued to those parties, and that the rate is consistent with the processors agreement.

4.2 PERFORMANCE MEASURES & TARGETS

4.2.1 Overview

The following table provides an overview of performance measures and targets that TSS has been and will begin to use as benchmarks for performance. They are broken down by four key groupings; Collection & Processing, Accessibility, Program Sustainability and Awareness & Stakeholder Satisfaction.

#	Performance Measure	Annual Target	2019
Collection & Processing			
1	Recovery Rate (excl. NVS) (Total Units Collected / Total Units Sold)	82% by 2023	75.4%
2	Processor Year-End Inventory (Year-End Tire Inventory on Site by Weight)	10,000 by 2023	18,379 MT
Accessibility			
3	Percentage of Population Served	*	31.7%
	a) Percentage of Population Centres Served b) Percentage of Population Living in Centres Served		78.1%
4	Number of R2R Locations	150 by 2023 10% in each zone by 2023	76
	a) Total number of locations b) % in each Pickup Zone		Zone 1: 3.6% Zone 2: 6.0% Zone 3: 5.4% Zone 4: 6.1% Zone 5: 2.5% Zone 6: 9.1%
5	Percentage of Rural Municipalities Receiving Major Cleanup	*	227 / 296 76.7%
Program Sustainability & Financial Management			
6	Administration Costs	< 8.00%	5.75%
7	Greenhouse Gas Emissions	*	*
Awareness & Stakeholder Satisfaction			
8	Education	*	*
9	Retailer Satisfaction	8.0	6.87
	a) Mean Satisfaction Score b) Net Promoter Score	25	5

* Requires explanation. See corresponding sections below.

4.2.2 Collection & Processing

Recovery Rate

The collection and processing are an important overarching area in which TSS would like to continue to see improvement. The Recovery Rate is one of the most often cited statistics in the tire stewardship industry which recognizes the total units collected, divided by the total number sold. TSS has seen a significant improvement of the rate since inception.

Year	Recovery Rate (excl. NVS)
2017	69.1%
2018	71.7%
2019	75.4%

TSS has set a performance target of 82% by the year 2023 which represents an equal improvement of ~6% from the start to the end of the previous PSP. In 2019, comparative provinces, Alberta and Manitoba had recovery rates of 86% and 87%, respectively. Alberta reports OTR recovery rates separately, although sales of OTR are negligible compared to PLT, MTRK and AG, thus a target of 82% remains achievable.

The recovery rate will be addressed through several improvements discussed throughout the PSP:

- Improved education and awareness of the program.
- Expanded Return to Retailer (R2R) program.
- Implementation of Northern & Remote programming.

Processor Year-End Inventory

Over the past seven years, there has been a stockpile of tires that are located at the single processor in Saskatchewan. The stockpile has varied between ~15,000 and ~20,000 metric tonnes, ending 2019 with a balance of 18,379 MT. TSS is interested in ensuring that this value can be reduced as quickly as reasonable and TSS will continue to actively monitor the total size of the pile.

The processor year-end inventory reduction will be addressed through the transition to the new processor payment model, which will in part address the stockpile.

4.2.3 Accessibility

Population Served

TSS wants to ensure that the program becomes more accessible for people to recycle tires. The accessibility of the program can be analyzed through the percentage of population served (#3). Although TSS cannot influence the location of retailers in the province, TSS can engage with different municipalities to try to find unique solutions to provide collection services, such as through the RM/landfill agreements.

	Total w/ Retailer	%	Population	Population Served	%	
Cities	17	17	100.0%	655,313	655,313	100.0%
Towns	148	132	89.2%	147,717	141,896	96.1%
Villages	322	128	39.8%	42,587	25,236	59.3%
Resort Villages	44	1	2.3%	4,721	840	17.8%
Rural Municipalities	296	21	7.1%	176,535	27,352	15.5%
Northern Hamlets & Villages	24	4	16.7%	11,942	3,458	29.0%
First Nation Reserves	110	2	1.8%	55,992	1,057	1.9%
Total	961	305	31.7%	1,094,807	855,152	78.1%

Number of R2R Locations

TSS can improve the accessibility of the program to individuals in the province by increasing the proportion of retailers that are part of the R2R program. As it currently stands, there are only 5.3% of retailers who are part of the R2R program, with some zones as low as 2.5%.

Zone	Retailers	R2R	%
Zone 1	223	8	3.6%
Zone 2	282	17	6.0%
Zone 3	258	14	5.4%
Zone 4	214	13	6.1%
Zone 5	236	6	2.5%
Zone 6	154	14	9.1%
	1367	72	5.3%

Increasing the percentage of retailers that are part of the R2R program will allow higher accessibility to people who have legacy tires who need somewhere to drop them off. If each zone reaches 10% of retailers in the program an additional 63 new locations would be added to the R2R program. A longer-term goal is to have the total number of R2R locations reach 150.

Additionally, there is only one R2R location in the Northern area of Saskatchewan. This is another critical area where TSS will look to dramatically look to improve the percentage of retailers in the R2R program.

Percentage of Rural Municipalities Receiving Cleanup

The previous operator of the scrap tire program had run programming in various rural municipalities which focused on community cleanups. These cleanups allowed residents of the RMs in the area to bring tires to a neutral collection site free of charge. The previous program operator was able to provide this service to 227 of 296 (or 76.7% of) RMs in Saskatchewan.

The intention is that TSS will provide cleanups to the RMs who were unable to be a part of these programs. TSS will look to create new programming for the cleanup of the remaining 72 RMs who were not able to be a part of the program.

The ability of TSS to create this type of programming is dependent on the amount of surplus funds available to the program and due to the unpredictability, there is no firm target for 2023.

4.2.4 Program Sustainability & Financial Management

Administration Costs

In terms of operations, TSS has been successful in curtailing discretionary spending. The following ratios aim to look at “core operations” and look at Administration Costs over Revenues from Tire Recycling Fees.

TSS	2019	2018
Admin. Costs	5.8%	7.3%

It is TSS’ goal to remain a diligent tire stewardship programs so that the maximum level of funding can be allocated to keeping TRFs low, providing fair incentives to third parties as well as creating excess programming to address legacy tires.

Greenhouse Gas Emissions

One of the reasons that TSS implemented the Zone Collection system was to attempt to lessen the amount of distance driven by collectors and truckers to reduce the total impact on the environment. Moving forward TSS will work with collectors to have them collect data on kilometres driven and challenge them to find more efficient routes and operations in order to reduce the impact on the environment. With an increase in tire collections (driven by higher consumption), TSS could look at kilometres driven per MT of tires collected. TSS will also participate in CATRA’s Life Cycle Assessment (LCA) project which is currently underway which looks at key environmental indicators to enable a current and ongoing assessment of options for products and recycling methods.

Additionally, TSS has made significant improvements in this area with the transfer from the previous collection system to the zone collection system.

4.2.5 Awareness & Stakeholder Satisfaction

Education & Awareness

TSS will be looking to expand the reach of education and awareness of the program. Currently, there is minimal amount of effort and funds utilized to push the awareness of the program. Over the next three years, TSS will build programming for the education and awareness of the program. This will be largely driven by the activities and programming outlined in Section 2.6 Public Engagement of this PSP, which focuses on:

- Direct Engagement
- Media
- Promotional & Educational Material, and
- Alignment with Other Organizations.

From this, TSS will determine a route to survey the awareness of the public and create performance targets for these metrics moving forward. Performance measures could include the public's awareness of the program, where to take scrap tires when they have them and awareness of where to go to find more information on the program, among others.

Retailer Satisfaction

As the key stakeholder and ultimately the customer of TSS, the satisfaction of TSS amongst retailers is of upmost importance. TSS completed an online survey that was sent to all retailers during the summer of 2020 in order to understand a benchmark of their satisfaction with the program. When asked to rate the performance of TSS, the mean score was 6.87 out of 10. Additionally, the Net Promoter Score (NPS) was 5. NPS is calculated as the difference between the percentage of Promoters and Detractors, where Promoters are retailers scoring the performance either a 9 or 10, with detractors scoring the performance between 0 and 6. With 39% being promoters and 34% being detractors, TSS has a score of 5.

4.2.6 Program Reporting Requirements

TSS will adhere to the following reporting requirements as stated within the regulations and guidelines set by the Ministry of Environment.

Quarterly Reporting

TSS will submit quarterly reports to the Minister in an Excel format, outlining activities of the program during the reporting period including:

- Description of tire shipments, including the volume and type of tires shipped to each shipping destination; and
- The end use at each shipping destination.

Annual Reporting

TSS will submit an annual report each year to the Ministry outlining activities of the program during the reporting period, including:

- The number of tires sold;
- The number of scrap tires recycled, and the manner and location in which tires were recycled;
- The number of stockpiled scrap tires recycled and the way they were recycled;
- The names of the first sellers; and
- Any other information that the Minister may reasonably require, including:
 - o A description of the public education or awareness and communication program with examples of advertisements or communications;
 - o The amount spent on public education or awareness and communication;
 - o The number of collection locations;
 - o The percent of the Saskatchewan population served by the program.

TSS will also make available for the public our Annual Report on our website.

4.3 FUNDING MODEL

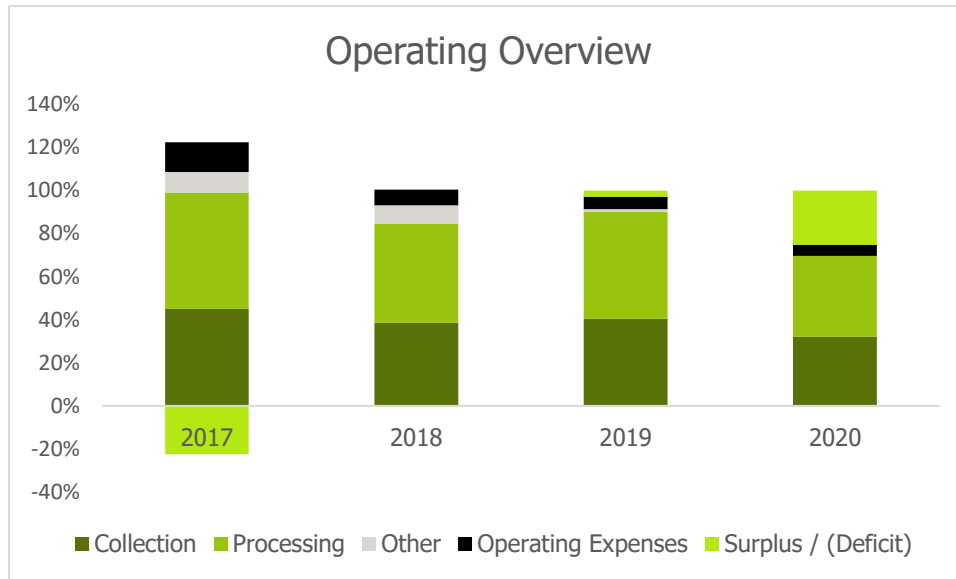
4.3.1 Program Funding

The program is funded through the collection of Tire Recycling Fees (TRFs). These fees can be found in Appendix B: Tire Definitions. The fees are collected on any new tire sales as well as tires sold on new vehicles (NVS). Over the past five years (2015 – 2019) the scrap tire program in Saskatchewan has averaged sales of 1,493,045 tire sales per year.

TRFs are set by TSS on PLT, MTRK, AG, OTR I and OTR II tires. The fee rates vary by tire type to compensate for the higher costs of collecting and disposing of larger tires.

4.3.2 Program Expenses

These fees are used in the operation of the tire recycling program in Saskatchewan with no TRFs collected directed to government. After taking over responsibility for the scrap tire program on September 1, 2017, TSS has been active in reducing expenditures and making program changes in order to improve the financial position of the organization. An overview of the financial progress can be seen below.



TSS has reduced the costs of goods (including collection, processing and other recycling costs) from 109% in 2017, to 70% in the first eight months of 2020. Additionally, operating expenses (such as rent and salaries) have declined from 14% to 5%. This has resulted in a transition from -22% surplus margin to a 25% surplus margin from 2017 to 2020.

The focus of the first three years of operation has been to 'right the ship' and now that TSS has built a foundation, the organization can move forward with more special projects and put the surpluses to good use.

4.4 POLICIES & PROCEDURES

4.4.1 Dispute Resolution

Within TSS agreements with retailers and contracted service providers, there are provisions set out in which TSS will follow in the event of a dispute to manage to a resolution as quickly as possible. The following provides a general overview of this process, which has been defined to resolve issues in a fair, transparent and unbiased independent manner from all perspectives.

- First, the parties will try to resolve the issue in collaboration together in a reasonable manner in good faith after receiving written notification of the dispute issue from the other party. If the manner is not resolved in 30 days, any party may initiate arbitration.
- If dispute cannot be settled informally, arbitration will be the manner for resolving the dispute and will be settled by binding arbitration in Regina before a single arbitrator in accordance with The Arbitration Act, 1992 (Saskatchewan).
- Arbitration will be initiated by written notice by either party to the other party. The selection of an arbitrator will be by mutual agreement of the parties. In the event the parties are unable to select an arbitrator, either party may request the Court of Queen's Bench for Saskatchewan to appoint the arbitrator.
- The award rendered by the arbitrator will be final and binding on the parties and not subject to further appeal and judgement. This award rendered by the arbitrator may be entered in any court having jurisdiction and will be in writing and specify the factual and legal basis for the award.

- The parties must pay all fees and expenses owed to the arbitrator equally.
- It is the intent of the parties that any arbitration shall be concluded as quickly as possible.

4.4.2 Quality Control & Assurance

TSS internally administers tracking that will support quality control and assurance aspects of retailers, collectors and processors meeting their respective obligations. All retailer remittances, collection and processing invoices are reviewed internally for accuracy and follow up on to address any errors. These activities are all processed, and all data is entered into the program's tracking system which manages remittance and collection through a credit system. Credits are used to identify retailers that may not be remitting their fees on a timely basis and an opportunity to ensure they keep their accounts up to date to get continued service.

TSS will continue to use and maintain a customized tracking system that tracks all key aspects of the program, including; TRFs remitted, tire credits available for collection, scrap tires collected, transport locations for scrap tires and scrap tires processed. This system is integral in generating the reporting required by the program for managing performance throughout the year and reporting to the Board, the Ministry of Environment and other stakeholders. As noted in Section 3.1.1, TSS will look to understand the advantages and disadvantages of the current credit system and investigate a potentially different method for quality control.

4.4.3 Greenhouse Gas Emissions

As discussed in Section 4.2 Performance Measures and Expectations, TSS is committed to investigating certain ways to reduce GHG emissions. Management will undertake the necessary research to develop a system for tracking and modelling GHG associated with the collection of tires. Following this, TSS may modify agreements with collectors to include data reporting, if necessary.

One of the reasons that TSS implemented the Zone Collection system was to attempt to lessen the amount of distance driven by collectors and truckers to reduce the total impact on the environment. Moving forward TSS will work with collectors to have them collect data on kilometres driven and challenge them to find more efficient routes and operations in order to reduce the impact on the environment.

4.4.4 Registered Retailers Listing

In order to demonstrate strong communication, transparency and accountability within the program, the list of the tire retailers registered with the program is posted on the TSS website and will be updated annually.

5 APPENDICES

5.1 CERTIFICATE OF INCORPORATION

Certificate of Incorporation

I certify that:

TIRE STEWARDSHIP OF SASKATCHEWAN INC.

102026123

was incorporated as a Saskatchewan Non-profit - Membership under
The Non-profit Corporations Act, 1995
on June 28, 2017.



A handwritten signature in black ink, appearing to read "Shirley Hogg", is written over a horizontal line.

Director of Corporations
June 28, 2017



This certificate was digitally certified by Information Services Corporation on behalf of the Saskatchewan Director of Corporations on: Wed, 28 Jun 2017 09:22:29 GMT -0800
For more information regarding this certificate, visit www.scc.ca/certificates

5.2 STATISTICS

Tires Sold					
	2015	2016	2017	2018	2019
PLT	1,047,289	990,893	1,007,924	1,019,704	984,054
MTRK	192,442	173,334	190,752	191,822	183,693
AG	36,789	31,932	34,012	31,804	25,528
OTR I	5,977	4,559	5,022	4,925	5,245
OTR II	1,280	1,093	1,080	601	620
NVS	277,920	258,750	268,125	250,610	237,445
Total	1,561,697	1,460,561	1,506,915	1,499,466	1,436,585

Scrap Tires Collected					
	2015	2016	2017	2018	2019
PLT	724,111	683,331	717,064	732,616	751,132
MTRK	123,198	110,247	134,572	145,577	138,902
AG	12,063	10,901	13,805	15,028	12,472
OTR I	1,492	1,398	1,553	1,471	1,504
OTR II	163	136	176	114	115
Total	861,027	806,013	867,170	894,806	904,125

Recovery Rates					
	2015	2016	2017	2018	2019
PLT	69%	69%	71%	72%	76%
MTRK	64%	64%	71%	76%	76%
AG	33%	34%	41%	47%	49%
OTR I	25%	31%	31%	30%	29%
OTR II	13%	12%	16%	19%	19%
Total	67%	67%	70%	72%	75%

Tire Processing & Manufacturing (in Metric Tonnes)					
	2015	2016	2017	2018	2019
Crumb	1,545	1,558	2,984	1,225	1,439
Shred/Mulch	29,102	11,489	26,340	13,083	18,406
Molded/Stamped	614	569	2,218	1,500	3,236
Energy	1,278	0	0	0	0
Steel/Fibre	881	642	2,029	1,251	1,491
Subtotal	33,419	14,258	33,570	17,059	24,572
<i>Transferred</i>	5,871	6,238	0	0	0
Total	39,290	20,497	33,570	17,059	24,572

Tire Processing & Manufacturing (in Metric Tonnes)					
	2015	2016	2017	2018	2019
Opening Inventory	39,669	27,849	27,245	14,295	18,531
Received Tire Volume from Program	24,526	19,322	20,620	21,105	24,420
Tire Volume Recycled	36,346	19,926	33,570	17,058	24,572
Closing Inventory	27,849	27,245	14,295	18,342	18,379

* Values highlighted in light green represent estimates due to uncertain data during transition year.

5.3 TIRE DEFINITIONS

CLASSIFICATION	TRF (\$) + GST	TIRE TYPES	DEFINITION
PLT PASSENGER CAR / LIGHT TRUCK Rim Sizes 8" - 30"	\$5.00	<ul style="list-style-type: none"> • Passenger Car (P), Light Truck Tires (LT) • Small RV, Trailer and Utility Trailer Tires • Motorcycle, All Terrain Vehicle and Golf Cart Tires • Lawn and Garden Equipment • Forklift, Skid Steer, Press-on Solids, and Front Tractor and Implement Tires up to a maximum 16" rim 	<ul style="list-style-type: none"> • Passenger Tires (P) are designed for use on passenger cars, light trucks, small RV's and multipurpose passenger vehicles, including sport utility vehicles and crossover utility vehicles • Codes found on the sidewall of Passenger and Light Truck tires are (P) Passenger and (LT) Light Truck; Temporary Spares are marked (T) Temporary • Includes all tires specifically designed for on/off highway motorcycles, motorcycle sidecars, motor bikes, mopeds, mini-cycles, golf carts and all-terrain vehicles (ATV) • RV Trailer and Utility Trailer tires are marked (ST) Special Trailer • Includes pneumatic Forklift tires, Press-on Solid tires, Bobcat/Skid Steer tires measuring 16" and under • Includes Free Rolling Farm and Implement tires deemed for use on farm equipment up to a maximum 16" rim size • Tires are usually identified with the sidewall marked (IMP) Implement
MTRK MEDIUM TRUCK Rim Sizes 15" - 24.5"	\$14.00	<ul style="list-style-type: none"> • All tires not marked "LT" or "ST" • Semi and Industrial Truck Tires • Wide Base Skid Steer and Loader Tires 17.5" rim and larger • Forklift, Skid Steer, Press-on Solids and Front Tractor and Implement Tires 16.1" rim and larger 	<ul style="list-style-type: none"> • Includes drive wheel tires used on tractors and combine equipment. These tires are normally identified with a sidewall marking (R) Radial Ply or (HF) High Flotation and are 16.1"-20" <p><i>*Also commonly known as Commercial Truck Tires - Truck and Bus tires including Wide Base or Heavy Truck tires designed for truck/bus applications and larger (RV) Recreational vehicle tires not marked (P) or (LT) Passenger or Light Truck</i></p>
AG AGRICULTURAL TIRES Rim Sizes 24" and up	\$25.00	<ul style="list-style-type: none"> • Agriculture (All Rear & Front Wheel Drive) Tires • Rubber Tracks on Agricultural Equipment 	<ul style="list-style-type: none"> • These tires include ALL Rear and Front Wheel Drive tires classified as Agriculture tires • Tires are designated with one of the following sidewall markings R-1/R-1W/R-2/R-3/R-4/HF1/HR2/HF3/HF4
OTR I OFF THE ROAD/MINING Medium Types (Rim Sizes up to and including 23.5" - 25")	\$57.00	<ul style="list-style-type: none"> • Off-the-Road, Mining, Earthmover, Construction Tires within classification up to and including 23.5-25" Tires • Forestry Tires • Rubber Tracks on Industrial Equipment 	<ul style="list-style-type: none"> • Tires used on tree harvesting equipment and are normally identified with a sidewall marking with suffix letters (LS) Logger/Skidder • Includes OTR Mining, Earthmover (E), Construction (C), Grader (G) Industrial (IND) and Aircraft tires up to and including size 23.5-25" tires
OTR II OFF-THE ROAD/MINING Larger Types (Rim Sizes 26.5-25" and up)	\$140.00	<ul style="list-style-type: none"> • Off-the-Road, Mining, Earthmover, Construction Tires over 23.5"- 25" to a maximum rim size of 39" 	<ul style="list-style-type: none"> • Includes OTR Mining, Earthmover (E), Construction (C), Forestry (F), Industrial (IND), and other on/off highway tires over the size of 23.5-25" <p><i>*OTR tires that exceed 39" rim is not part of the scrap tire program – no recycling fee applicable and no disposal service provided</i></p>
EXEMPTIONS		PLEASE NOTE	
Any tire with a rim size 7" or less, wheelbarrow tires, snowmobile/quad tracks, bicycle or electric bike tires, recapped and retreaded tires, tire tubes, wheelchair/electric mobility aid tires		Fees also apply to disposal of scrap tires not accompanied by a new tire sale, and warranty replacement tires	

5.4 ADVISORY COMMITTEE TERMS OF REFERENCE

PURPOSE

The purpose of the Tire Stewardship of Saskatchewan (TSS) Advisory Committee (the Committee) is to provide strategic advice and program input to the Board of Directors and senior management of the TSS. The Committee will have no decision-making authority – rather the Committee will be a source of information and knowledge, and a sounding board for the Board of Directors and senior management related to strategic program development, continuous improvement and new opportunities.

MEMBERSHIP

The Committee will consist of 5 to 8 senior, management or executive level individuals with considerable knowledge and experience to offer the TSS. Members will be nominated and approved by the TSS Board and consist of industry experts and program stakeholders that can provide objective advice in the development and management of an efficient and effective tire recycling program. There should be enough Saskatchewan perspective represented, however experts from outside of the province can also provide valuable advice regarding experiences in other jurisdictions.

Note: It is recommended that owners, management employees, or agents of organizations that are under contract as a service provider to the TSS not be eligible as members of the Advisory Committee to prevent unfair representation or influence to one service provider over another and to maintain a level playing field. It is recommended these service providers be part of specific working groups on applicable program functions.

DESIRED OUTCOMES

The TSS Advisory Committee seeks to accomplish the following objectives:

- To provide trusted input, guidance and advice to the TSS Board and senior management based on industry, market and policy knowledge and expertise;
- To review and provide feedback on proposed program and policy decisions developed by management and to serve as a sounding board for the TSS Board prior to making strategic decisions;
- To investigate program issues or new opportunities as assigned by the TSS Board, which may involve engaging with established industry working groups; and
- To promote the importance of tire recycling in Saskatchewan.

GOVERNANCE

CHAIRPERSON

The Board of Directors shall appoint a Chair for the Committee, from the nominated members.

MEETINGS

The Committee shall meet at minimum twice a year and a maximum of four times per year, unless additional meetings are authorized or requested by the Board.

The meetings will be led by the Executive Director who shall be responsible for the development of agendas, facilitation of meetings, keeping minutes, and communication and coordination with members in between meetings. One member of the Committee or the Executive Director, as chosen by the Chairperson, will be responsible for drafting the meeting notes and distributing to the Committee and Board of Directors as soon as possible.

Reasonable notice of a meeting must be given to each Committee member in order to allow the Committee member time to exercise their best efforts to attend the meeting. Each Committee member will make every effort possible to decide to be available for meetings, either in-person or by phone.

Committee recommendations will be taken under advisement and consideration by TSS with respect to the management of the program. Any recommendations that remain unsolved will be brought forth to the Board for consideration and a response provided to the Advisory Committee.

PRINCIPLES OF ENGAGEMENTS

- All members shall represent the best interests of the Tire Stewardship of Saskatchewan Inc.
- Each member agrees to adhere to the Terms of Reference for the Advisory Committee.
- Members are responsible to attend meetings and provide informed input in the spirit of improving the program, not based on personal or vested interests.
- No member shall seek to gain an unfair competitive advantage as a result of being made privy to confidential information through sitting on the Committee.
- Members shall adhere to confidentiality agreements as required.

CONFIDENTIALITY

Matters discussed by the Advisory Committee may be considered confidential and will not be shared outside the Committee. Advisory Committee members will sign a Non-Disclosure Agreement and the Chair will clarify that a matter is to be kept confidential by members at the outset of a discussion.

REVIEW OF TERMS OF REFERENCE

The Committee shall review these terms of reference on an annual basis and propose revisions to the TSS Board for approval for more effective operations.

5.5 PROGRAM STAKEHOLDERS, ROLES & EXPECTATIONS

5.5.1 Tire Stewardship in Saskatchewan

As stated in the Scrap Tire Recycling Program Review Report conducted early 2017, this visual demonstrates the many participants under the EPR model for tire stewardship system in Saskatchewan. These participants collaborate to achieve the intended outcomes of the program. Current regulations are intended to allow for managing scrap tires through to a useful end life based on the importance of recycling, being responsible for greenhouse gas emissions, avoiding the hazards of tire stockpiles and supporting the importance of recycling. Each of the participants of the “system” are equally important and all need to collaborate, integrate and support one another to achieve the intended outcomes. The program operator plays a critical role in creating and nurturing effective collaboration. It is essential to have clear definition of roles, responsibilities and lines of accountability for an effective and efficient system to get the best value in outcomes from consumer paid recycling fees.

Tire Stewardship in Saskatchewan



The Minister is ultimately responsible and accountable for an effective program in Saskatchewan. Obligations of the retailer are defined by the regulations set by the Minister. The program operator is the creation of the retailers and is ultimately accountable to the retailers. The program operator serves to administer a program defined by the retailers to meet the regulations as approved through the Product Stewardship Plan (PSP) by the Minister. The program operator is responsible for administering an effective system and interacting with all participants. TSS acknowledges that transparency and open communication are critical for a successful tire stewardship program that is focused on results for Saskatchewan.

Tire Stewardship Participant	Role in The Tire Stewardship System
Provincial Government	TSS will adhere to the mandate for tire stewardship in Saskatchewan as set by the Minister of Environment through legislation and regulations. TSS will operate the tire recycling program through an approval for our Product Stewardship Programs (PSP) from the Minister, which will ensure first sellers follow the Regulations. TSS will adhere to our PSP as approved, included any conditions put on the approval and we understand that there may be audits from the Ministry penalties for non-compliance. In addition, TSS will ensure Saskatchewan processors go through the IWW permit process before entering into an agreement with TSS to accept scrap tires and the Ministry as the regulator will enforce compliance of environmental standards and acceptable uses with tire processors.
Saskatchewan First Sellers	First sellers in the province are responsible for establishing a tire recycling program for scrap tires or to participate in a recycling program operated on their behalf. First sellers are responsible for registering with the program and remitting consumer-paid tire recycling fees to the program operator for tire collection, transportation and recycling. First sellers must adhere to standards related to tire storage on site and ensure fee remittance and collection is completed on a regular basis. TSS, through an approved PSP, provides the means for which first sellers will meet their obligations for scrap tire management in Saskatchewan.
Program Operator	TSS will be responsible for executing the approved PSP to manage the tire recycling program on behalf of the first sellers. TSS will focus on the necessary activities to administer an effective and cost-efficient system for managing scrap tires to end-of-life and for responsible reuse, including supporting a sustainable tire recycling industry in Saskatchewan. TSS will build positive working relationships to enable a successful and efficient system for collection, transportation and recycling of scrap tires in the province to bring the most benefit for Saskatchewan consumers and businesses.

<p>Tire Processors</p>	<p>TSS will register processors with the program by conducting a process to ensure processors have the capabilities, experience, capacity and financial viability to deliver safe and environmentally responsible processing and recycling of scrap tires into acceptable uses and end products for sale into the market. This must include obtaining an approval to operate from the Ministry of Environment and providing the required financial assurances to address reclamation of tires in the event the processor discontinues business. TSS will work in collaboration with the Ministry to ensure processors comply with all applicable regulations and standards related to acceptable end uses, site storage, unlawful dumping, etc. TSS will put in place mechanisms to incentivize processors to focus more on market development and value-added products to build sustainability beyond processing incentives.</p>
<p>Tire Collectors</p>	<p>TSS will register collectors to deliver timely collection of tires from retailers and transportation of these tires to processing and recycling facilities. TSS will foster an environment and culture for fellow collectors to develop positive working relationships to ensure efficient and cost-effective collection and transportation of tires.</p>
<p>Municipal Governments</p>	<p>TSS will collaborate with municipalities to ensure processing and recycling facilities within their jurisdiction adhere to requirements within their community plans and bylaws. This includes enforcing building code requirements as per the National Building Code of Canada, enforcing fire code requirements under the National Fire Code and <i>The Fire Safety Act</i>, and having systems in place to complete proper compliance inspections to ensure the safety of the community.</p>

5.6 CONSULTATION DETAILS

5.6.1 Organizations Represented at Consultations

Organizations Engaged with Directly:

- Ministry of Environment
- TSS Board of Directors
- TW Trucking
- Paul Tandler Trucking
- Shercom Industries
- Canadian Association of Tire Recycling Agencies (CATRA)
- Tire Stewardship Manitoba
- Alberta Recycling Management Authority
- Tire Stewardship of British Columbia
- Multi-Material Stewardship Saskatchewan (Packaging & Paper)
- Cleanfarms (Grainbags in Saskatchewan)

In addition to posting the draft on the TSS website, the following organizations were sent the PSP Draft directly:

- TSS Advisory Committee, representing:
 - o Saskatchewan Association of Rural Municipalities (SARM)
 - o Municipalities of Saskatchewan (SUMA)
 - o Ministry of Environment
 - o SARCAN Recycling
 - o Various Tire Dealers
 - o Association of Regional Waste Management Authorities of Saskatchewan (ARWMAS)
- Recycle Saskatchewan
- Saskatchewan Waste Reduction Council (SWRC)
- Retail Council of Canada (RCC)
- Western Canadian Tire Dealers (WCTD)

5.6.2 Consultation Comments

Stakeholder Sector	Question and/or Comment	Response / Reflection in PSP	Change from DRAFT PSP
Service Provider	<p>Thank you for the opportunity to provide input on TSS' draft PSP. Let me begin by congratulating the TSS in decreasing the cost of its operations and for the increased effectiveness. Diverting 60,000 metric tonnes of scrap tires from Saskatchewan's landfills is a remarkable achievement.</p> <p>By supporting the processing of these scrap tires in Saskatchewan, the TSS has played a significant role in providing the opportunity for the private sector to create manufacturing jobs that have had a substantial economic impact on the province. At a time when manufacturing jobs are on the decline across Canada, the tire recycling industry has been increasing jobs in Saskatchewan.</p> <p>In the following comments I will use the reference numbers for the paragraphs used in the draft PSP.</p> <p><u>3.1.2</u> Is the recycling fee expected to cover the cost of collecting and processing all tires in Saskatchewan including legacy tires? Given the magnitude of the challenge, are any other methods of raising revenues to cover the cost of legacy tires?</p> <p><u>3.3.2</u> It is important to point out the challenges of comparing to other jurisdictions because of the various government programs that provided capital and operating investments. This includes not only current programs, but past practices that have in some cases significantly reduced the capital and operating costs of the processors in other jurisdictions.</p> <p><u>3.3.3</u> It is important to note that the processor only stockpiles whole tires when necessary. This can be during blade changes and other activities that temporarily suspend processing. Ordinarily the scrap tires are processed as they arrive. Tire derived aggregate, crumb and moulded goods are inventory. The processor has customers that require 10,000 m3 of tire derived aggregate at one time. Saskatchewan made products derived from scrap tires compete with other jurisdictions. To remain competitive, it is important to review how their systems operative in a holistic manner. Their payment systems are one aspect of their systems. Other jurisdictions receive much higher rates paid for some products, capital and operating financial support and other factors like immediate markets for their TDA. The report references the "PSP Guidelines for the Ministry". Are these available for review? The research section should begin with a literature review to ensure the research does not duplicate the good work that has been done across North America and around the world.</p> <p><u>4.1.3</u> The "Additional Collection & Processor Compliance Programs" section refers to a new payment model. Is there a proposal available for review?</p>	<p>3.1.2: The recycling fee is expected to cover the cost of collecting and processing all tires in Saskatchewan including legacy tires. TSS understand the issue of legacy tires in the province. The only way to raise revenues is through the increase of tire remittance fees, with the most recent increase being from \$4 to \$5, beginning November 1, 2019.</p> <p>3.3.2: TSS believes it is necessary to compare to other jurisdictions as these jurisdictions can provide best practices for TSS moving forward.</p> <p>3.3.3: TSS has completed significant reviews of the various tire stewardship programs in Western Canada and across the country. To our understanding there are no other jurisdictions that pay at the gate. With respect to other financial supports, TSS is open to alternative processing incentives as outlined in Section 3.3.2 and 3.3.3. The PSP Guidelines for the Ministry can be found online on the TSS website. In addition, TSS will ensure not to duplicate any research.</p> <p>4.1.3: The new payment model, as discussed in 3.3.2 has not been developed in full. TSS will work with the processor(s) to develop a new payment model.</p> <p>4.2.1: In an ideal world, the recovery rate would in fact be 100%. Although there is likely a variety of factors that contribute to the difference between</p>	<p>Sections 3.3 outlines the various ways in which TSS is willing to work with the processor to create a Saskatchewan-specific methodology that will be mutually beneficial.</p> <p>Section 4.2.2 has been updated with the correct number of approximate year-end tire product weight.</p>

Stakeholder Sector	Question and/or Comment	Response / Reflection in PSP	Change from DRAFT PSP
	<p><u>4.2.1</u> Recovery rates are referenced in different parts of this draft PSP. TSS' goal of increasing the recovery rate is laudable. Is there a root cause to capture rates being less than 100%?</p> <p><u>4.2.2</u> Processor Year-End Inventory section. Although there are tires stored during blade changes and other downtime events, the normal practice is to process tires as they arrive. There are never 20-25,000 metric tonnes of tires on the ground.</p> <p><u>4.2.5</u> The TSS provides a valuable service to retailers. Consumers pay the recycling fees which makes consumers the ultimate customers being served by this program under the authority of the Ministry of Environment. They benefit from the cleaner environment and the economic benefits of all the activity including a substantial number of manufacturing jobs right here in Saskatchewan.</p> <p><u>5.2</u> The processor would welcome discussion around what information is made public due to its commercially sensitive nature.</p>	<p>tires sold and tires collected, there is not one root cause.</p> <p>4.2.2: Thank you for the comment. It appears the information should read between 15,000 and 20,000 MT of tire-derived products, not just "tires".</p> <p>Thank you for your input.</p>	
Service Provider	We read over the document and we are very happy with what you guys did the past 3 years, and the new format looks really great, and we hope we can help with the continued success of the program.	TSS appreciates your support moving forward.	Not applicable.
Stewardship Program	<p><u>Administration Costs</u> We would respectfully request the section comparing provinces is removed, or at minimum include Alberta for a complete picture. We would also like the opportunity to confirm the numbers you have presented.</p> <p><u>Fee Methodology</u> This information is very detailed and could potentially present an issue should TSS find that it needs to adapt its methodology. The level of detail provides very little wiggle room in the event a change is needed / required.</p> <p><u>Processor</u> It is recommended TSS meet with its processor(s) on a monthly basis with a set schedule and agenda. Although there appears to be constant contact, a more focused approach can be advantageous for both parties from an efficiency perspective but also more onus on the processor to be held accountable to report out and keep TSS apprised of all relevant information and issues.</p> <p><u>Credit System for Collection</u> Appreciating this is a legacy approach, it is recommended TSS review this process. It is contrary to what other tire provincial programs do and appears to be very operationally inefficient. It may also be a deterrent for retailers to sign up as R2R locations. Also noted is that 10 tires max for an R2R location is high and may also be a deterrent.</p>	<p>Administration costs: Due to the varying nature of the programs, TSS has agreed to remove this information from the PSP.</p> <p>Fee methodology: Although TSS agrees that the information is very detailed, it is believed that by utilizing the principles that are listed after the initial methodology, allows TSS to have wiggle room in ensuring that the fees are reasonable and consistent with other jurisdictions.</p> <p>Processor: Although TSS believes there may be value in having monthly regularly scheduled meetings, we believe that the current communication as outlined in the PSP will meet our needs.</p> <p>Credit System for Collection: TSS understands that we are the only</p>	<p>TSS has removed the sections referring to the administration costs of the other Western Canadian tire stewardship programs.</p> <p>Section 3.1.1 and 4.4.2, TSS commits to investigating the removal of the credit system currently in place.</p>

Stakeholder Sector	Question and/or Comment	Response / Reflection in PSP	Change from DRAFT PSP
	<p><u>Processor Incentives</u> We would recommend the implementation of paying the processor incentives on goods sold as soon as possible, and in addition to the invoice would suggest TSS also require the bill of lading to show the product was shipped.</p> <p><u>Section regarding Stockpiles</u> Under the Financial & Education section: you may wish to consider asking the processor(s) to submit an Environmental Management Plan on an annual basis. Further to the submission of the Plan would be a follow up monthly on the status / resolution of any deficiencies noted. As the processor is often the participant that receives the most funding from the program, it is important the program implements significant oversight over the processor and its operations both financially and environmentally.</p>	<p>organization that utilizes a 'credit' system. In subsequent discussions, TSS has decided to commit to a review of the current system and whether or not to continue using them. This will be investigated over the new PSP mandated period.</p> <p>Processing Incentives: Section 3.3.3 outlines TSS' commitment to determining a New Payment Timing. This is a priority for TSS during the new PSP.</p> <p>Section regarding Stockpiles: TSS may look into this in the future.</p> <p>Thank you for your input.</p>	
Stewardship Program	I would assert one strong point of contention with your plan. Providing a comparative of Admin cost percentages between the TSS, TSBC and TSM programs (PAGE 19) in a published document is not something our organization, nor other CATRA members would generally provide. Every program in Canada is the best program for their particular jurisdiction. That's why as a whole Canada leads the world in tire recycling.	<p>Administration costs: Due to the varying nature of the programs, TSS has agreed to remove this information from the PSP.</p> <p>Thank you for your input.</p>	TSS has removed the sections referring to the administration costs of the other Western Canadian tire stewardship programs.
Stewardship Program	The only glaring issue that I see is with the processor's payment model. Is there any good reasoning for why it is paid upfront?	<p>Processing Incentives: Section 3.3.3 outlines TSS' commitment to determining a New Payment Timing. This is a priority for TSS during the new PSP.</p> <p>Thank you for your input.</p>	Not applicable.
Stewardship Association	<p>Thank you for inviting us to participate in the consultations on Saskatchewan's draft Product Stewardship Program (PSP) for scrap tires. It's clear that much work has gone into the PSP and we are pleased to provide some comments for your consideration as you finalize your submission to the Ministry of Environment.</p> <p>Following are our suggestions, referencing the relevant PSP sections where applicable.</p> <p>3.1.2 Fee Setting Methodology: Consider enhancing the methodology to set bounds or targets for surpluses to fund future liabilities and stockpile cleanups. Having these costs "blended" into the fee structure could help to avoid large fluctuations from year to year. Also consider clarifying how overhead is allocated, i.e. is it based on weight or units?</p>	<p>3.1.2 Fee Setting Methodology: The portion of overhead costs includes a surplus to fund future liabilities and stockpile cleanups. The overhead is allocated based on units.</p> <p>3.2.3 Improvements & Efficiencies: Thank you for finding this, it should have read "resulting in additional cost savings" which has been updated.</p>	<p>In section 3.1.2, added clarity of using number of units as proxy for portion of overhead costs.</p> <p>In section 3.2.3, made the edit to read "resulting in additional cost savings"</p>

Stakeholder Sector	Question and/or Comment	Response / Reflection in PSP	Change from DRAFT PSP
	<p>3.2.3 Improvements & Efficiencies: It sounds as if eliminating the marshalling yard resulted in additional costs. Was it intended to say that costs were eliminated as the result of this action?</p> <p>3.4.1 Return to Retailer: With respect to investigating options on how Return to Retailer (R2R) locations can be “recognized” for the additional effort and resources, TSS will want to ensure due diligence before committing to paid recognition based on the experience of Ontario’s former program, Ontario Tire Stewardship.</p> <p>4.1.3 Retailer Compliance: For several years TSS has participated in CATRA’s Harmonized Compliance Review (HCR) program. In general, HCRs involve a single auditing firm engaged by CATRA conducting a retailer compliance review on behalf of all the Canadian jurisdictions interested in reviewing each particular retailer (e.g., Walmart, Bridgestone, Home Depot). As recently confirmed by Stevyn Arnt, TSS’ participation will continue in 2021. For consideration, there may be benefits to highlighting in the PSP that the HCR program allows TSS and the other jurisdictions that participate to realize efficiencies as compared to each conducting individual reviews.</p> <p>4.1.3 Processor Compliance: Conducting a comparison of the weight of finished product sold to the product received at the processor (allowing for shrinkage from water contaminants, processing losses, etc.) is a strong control and one that TSS will want to consider implementing as the program moves to payments based on sales.</p> <p>4.2.1 Overview: Note that the table in this section indicates the Recovery Rate target as 82% by 2023, while the second paragraph in 4.2.2 says 82% by 2019.</p> <p>4.4.2 (& 3.1, etc.) Quality Control: The use of “credits” may be an unnecessary, administratively burdensome and a fairly ineffective control mechanism. The R2R model and the use of “credits” for sales will work against one another. The credit would discourage tire take backs beyond sales, while becoming a R2R site would introduce a mechanism to introduce tires from other sources into the program (under the cover of R2R).</p> <p>4.4.3 (& 4.2) Performance Measures–Greenhouse Gas Emissions: As discussed recently with Stevyn Arnt, we suggest that TSS examine the significant benefits of becoming part of CATRA’s Life Cycle Assessment (LCA) project which is currently underway. With programs increasingly asked to be environmentally accountable, this project looks at key environmental indicators including GHGs to enable a current and ongoing assessment of options for products and recycling methods.</p> <p>5.2 (& 4.2.2) Statistics: While virtually all provincial programs are required to report to their ministries on the Recovery Rate, it is not an ideal performance measure. This metric, defined as scrap tires collected in the year divided by new tire sales in the same year, does not accurately reflect the effectiveness of a scrap tire program:</p> <ul style="list-style-type: none"> - New tires sold are usually not recycled until several years later, so comparing to the current collection volume is not pertinent without estimating several adjusting factors. 	<p>3.4.1 Return to Retailer: TSS is not looking to provide monetary recognition to retailers involved in the R2R program and would be symbolic in nature (i.e. R2R Retailer of the Year, and posted on the website, as an example...).</p> <p>4.1.3 Retailer Compliance: TSS agrees that this should be included in the PSP and has been added.</p> <p>4.1.3 Processor Compliance: As noted, TSS is interested in pursuing additional processor compliance and will consider this after the new payment model is instituted.</p> <p>4.2.1 Overview: The section should read “performance target of 82% by the year 2023” and has been updated.</p> <p>4.4.2 (& 3.1, etc.) Quality Control: TSS understands that we are the only organization that utilizes a ‘credit’ system. In subsequent discussions, TSS has decided to commit to a review of the current system and whether or not to continue using them. This will be investigated over the new PSP mandated period.</p> <p>4.4.3 (& 4.2) Performance Measures–Greenhouse Gas Emissions: As noted, TSS is interested in determining ways to measure GHG emissions and will include TSS’ inclusion in the LCA project.</p>	<p>In section 3.4.1 have added “non-monetary” as a descriptor with respect to the recognition to be considered for R2R retailers.</p> <p>In Section 4.1.3, have added details on TSS’ inclusion in CATRA’s HCR program.</p> <p>Section 4.2.1 has been updated to read appropriately as described in the adjacent column.</p> <p>Section 4.4.2 and 3.1.1, TSS commits to investigating the removal of the credit system currently in place.</p> <p>Section 4.4.3 (& 4.2.2), added discussion on TSS’ involvement in CATRA’s LCA project.</p> <p>Section 5.3 have removed the upper bounds of tire rim sizes.</p> <p>Added CATRA as an organization represented at Consultations</p>

Stakeholder Sector	Question and/or Comment	Response / Reflection in PSP	Change from DRAFT PSP
	<ul style="list-style-type: none"> - Tire sales data is available only in the number of units sold (not in weight), so only estimates can be used for comparisons to collection. - Some new tires sold will never enter the scrap tire market as some are exported or directed to other uses. <p>To address some of the flaws of this metric, Tire Stewardship BC (TSBC) recently began reporting on both the traditional Recovery Rate as well as a Recovery Rate that compares the current year’s collection to the tire sales 5 years prior, and the difference in results is notable. Another province presents on a prior year basis as well.</p> <p>An additional suggestion is to allocate the new vehicle sales (NVS) to the proper tire classifications rather than defining them as their own category since it further increases the challenge of comparing sales to collection.</p> <p>5.3 Tire Definitions: AG tires are shown as being up to 54” while the footer says that tires over 39” are exempt. Also, the “Please Note” in the table makes sense for warranty purposes, but it’s not clear why the fee would “apply to disposal of scrap tires not accompanied by a new tire sale” – additionally, how would TSS address new tires imported into the province (e.g., by a trucking company) where no sale takes place but tires that need to be managed have entered SK. Lastly, we would encourage TSS to look at the OTR fees in particular since the Manitoba program will likely be revisiting their rates, potentially making Alberta’s rates a better benchmark.</p> <p>5.6.2 Organizations represented at Consultations: TSS may want to add the Canadian Association of Tire Recycling Agencies (CATRA) to the list of those consulted.</p> <p>Other: Purely from a document flow perspective, there are a few undefined acronyms in the main body of the document. It would be helpful to show the full name at the first instance the organization is mentioned, together with its acronym. For example, on page 8, SWRC, CATRA and ARWMAS are mentioned for the first time without presentation of the names in full.</p>	<p>5.2 (& 4.2.2) Statistics: TSS understands the flaws that may come with the utilization of the Recovery Rate and will remain open to considering changes to the way that recovery rate is calculated.</p> <p>5.3 Tire Definitions: After investigation, TSS has removed the maximum rim width, which is in line with other Western Canadian recycling agencies. The “Please Note” section infers that if someone were to request a tire pickup through the program that they would be subject to a fee. Accounting for imported tires is a known issue to TSS and other tire stewardship programs across. Last, TSS will be completing an annual review of tire fees, which will include OTR as mentioned.</p> <p>5.6.2 Organizations represented at Consultations: TSS agrees and have made the change.</p> <p>Other: TSS agrees and have made the associated changes.</p> <p>Thank you for your input.</p>	<p>Addition of full organization names on first use throughout the document.</p>
<p>Advisory Committee Member</p>	<p>I have looked it over and must say the financial results show improvement – very nice! I also like page 13 where 3.4.3 speaks to:</p> <p>”Coordinated Municipal & Community Pickup Days: TSS will investigate the potential to coordinate with local municipalities to have a TSS collector trailer available for a designated day in which the public may drop off legacy tires free of charge. Additionally, it may be coordinate with household hazardous waste events” – EXCELLENT idea!</p>	<p>TSS appreciates your support moving forward.</p>	<p>Not applicable.</p>
<p>Advisory Committee Member</p>	<p>Section 2.4 Advisory Committee: I agree with two meetings. Perhaps it should say a maximum of 4 times per year unless authorized or requested by the Board. There could be some years that require more meetings. The previous PSP had language that permitted more than 4 if required.</p> <p>Section 2.6 Public Engagement: It is nice to see this depth of engagement and collaboration.</p>	<p>Section 2.4 Advisory Committee: TSS agrees that there certainly could be times when more than four meetings would be required. Other jurisdictions noted that in their organizations first few years, there</p>	<p>Section 2.4 & 5.4. have added language to permit more than four meetings per year if authorized or</p>

Stakeholder Sector	Question and/or Comment	Response / Reflection in PSP	Change from DRAFT PSP
	<p>Section 3.4.1 Return to Retailer: I agree that the retailers that are participating should be recognized for their efforts. Saskatchewan residents are typically loyal recyclers when options are available and relatively close to their home. Growing this program is a positive step.</p> <p>Section 3.4. Abandoned Stockpile Programming: SARM and SUMA have a vested interest in addressing current stockpiles and preventing future ones. It is important to engage and plan with SARM and SUMA.</p> <p>Appendix 5.4 Advisory Committee Terms of Reference, Desired Outcomes: The Advisory Committee would like further clarification on this outcome ("To promote the importance of tire recycling in Saskatchewan"). Does the TSS plan for this to happen organically based on the representatives' backgrounds and interests or is there an expectation that Advisory Committee take on a more formal role in promoting tire recycling?</p>	<p>were more than four per year. Adding this language provides more flexibility and has been added.</p> <p>5.4 Advisory Committee Terms of Reference, Desired Outcomes: TSS understands your comment. The Advisory Committee will provide input into the program and through that will be providing immense value in promoting tire recycling in the Province. Further discussion on the desired outcomes can be a discussion item in the next Advisory Committee meeting. Thank you for your input.</p>	<p>requested by the Board.</p>